Government of Saskatchewan

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Cattle Market Update

For the Week Ending November 20, 2015

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Nov. 20/2015	Average	**$347.33**	**$306.71**	**$263.21**	**$239.92**	**$229.92**	**$215.83**	**$211.63**
Nov. 20/2015	Range	335-355	285-333	250-281	231-252	221-238	212-230	206-218
week/week	Change	-$5.17	-$8.90	-$14.17	-$12.58	-$10.68	-$14.25	-$4.04
Nov. 13/2015	Average	**$352.50**	**$315.61**	**$277.38**	**$252.50**	**$240.60**	**$230.08**	**$215.67**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Nov. 20/2015	Average	**$297.64**	**$266.72**	**$233.93**	**$221.10**	**$206.42**	**$198.80**	
Nov. 20/2015	Range	283-308	250-285	224-248	215-227	202-214	193-206	
week/week	Change	-$12.61	-$7.84	-$12.13	-$8.29	-$15.08	-$12.37	
Nov. 13/2015	Average	**$310.25**	**$274.56**	**$246.06**	**$229.39**	**$221.50**	**$211.17**	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Thursday of the current week. N.A. means not available due to lack of sufficient data.

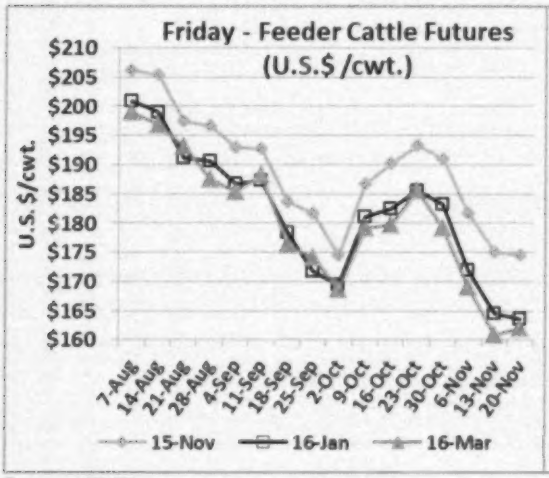
Canfax reported that a total of 37,750 head of cattle were sold in Saskatchewan this week, down from 42,142 head marketed the previous week. Prices were lower on general market weakness with lower feeder cattle demand in Western Canada. Canadian feeder cattle exports to the U.S. over the last eight weeks ending November 7, 2015 were down almost 75 per cent from 2014 and down almost 54 per cent from 2013; compared to the same eight week periods.

Saskatchewan feeder steer prices were lower over the week in all weight categories. Prices declined between $4.04 per cwt and $14.25 per cwt, from the previous week. The 800-900 lb. feeder steer weight category had the largest loss declining $14.25 per cwt. Feeder steer prices overall averaged almost $10 per cwt lower in the different weight categories.

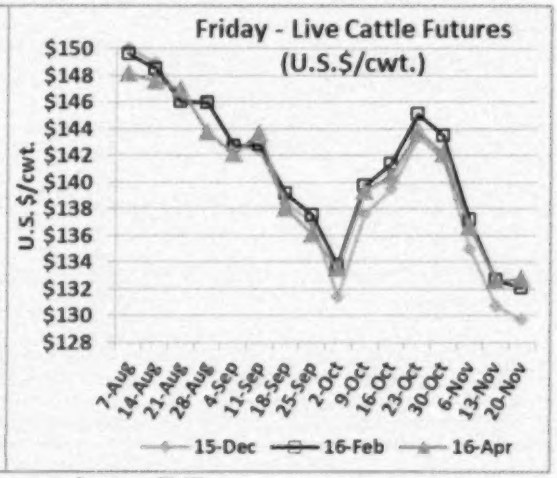
Saskatchewan feeder heifer prices over the week were also lower in all weight categories. Feeder heifer prices over the week declined between $7.84 per cwt and $15.08 per cwt. The 700-800 lb. feeder heifer weight category had the largest loss declining $15.08 per cwt, with overall feeder heifer prices declining by over $11 per cwt on average over the week.

The Saskatchewan 750 lb. feeder steer basis compared to the November 19, 2015, U.S. feeder cattle index at US$174.39 per cwt was calculated at $2.82 per cwt (US$174.39/0.7493-$229.92), a basis widening (negative) of $2.00 per cwt from the basis of $0.82 per cwt the previous week.

Feeder cattle futures prices were mixed over the week with continued price fluctuations with nearby-by contracts ending lower, week-over week. The November contract declined US$0.680 per cwt to expire Friday at US$174.390 per cwt, while the January 2016 contract declined US$0.900 per cwt to settle Friday at US$163.650 per cwt. The March 2016 contract increased US$1.100 per cwt to settle Friday at US$162.025 per cwt.



Source: CME



Source: CME

Live cattle futures prices were also mixed over the week with continued price fluctuations ending the week primarily lower, week-over-week. The nearby December contract declined US$0.975 per cwt to settle Friday at US$129.700 per cwt, while the February 2016 contract declined US$0.625 per cwt to settle Friday at US$132.025 per cwt. The April 2016 contract was slightly (US$0.200 per cwt) higher to settle Friday at US$132.750 per cwt.

Iowa cash corn prices moved higher over the week increasing eight cents to settle Friday at US$3.36 per bushel. U.S. corn futures prices were primarily higher over the week increasing, week-over-week. The December corn futures contract increased five cents over the week to settle Friday at $3.63¼ per bushel, while the March 2016 contract increased over four cents to settle Friday at $3.69¾ per bushel.

Fed and Non-fed Cattle

	November 20, 2015	November 13, 2015	Change over Week
Steers (Alberta)			
Live	n/a	$161.49	n/a
Rail	n/a	$268-269	n/a
Cows (Alberta)			
D1,2 Live	$108.42	$111.40	-$2.98
D3 Live	$94.21	$95.88	-$1.67
Rail	$201-206	$210-215	-$9.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were lower over the week. For the week ending November 20, the price of D1,2 slaughter cows declined $2.98 per cwt to average $108.42 per cwt, while the price of D3 slaughter cows declined $1.67 per cwt to average $94.21 per cwt.

Fed cattle prices in Western Canada for Alberta fed steers were **not** reported for the week ending November 20. Fed steer prices in the U.S. were lower over the week. Ontario fed steer prices declined $7.00 per cwt to average $153.64 per cwt.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$124.83 per cwt, down US$2.21 per cwt or 1.7 per cent from US$127.04 per cwt the previous week, and down 27.1 per cent from US$171.15 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$194.71 per cwt, down US$4.58 per cwt or 2.3 per cent from US$199.29 per cwt the previous week, and down 27.2 per cent from US$267.56 per cwt the same week a year ago.

On November 20, 2015, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for November 1, 2015.

November 1, 2014 and 2015, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2014	2015	Per cent of previous year
On feed October 1	9,985,000	10,218,000	102.3
Placed during October	2,368,000	2,281,000	96.3
Marketed during October	1,685,000	1,630,000	96.7
Other disappearance during October	97,000	75,000	77.3
On feed November 1	10,571,000	10,794,000	102.1

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in October 2015 was 2.281 million head, down 3.7 per cent from 2.368 million head in October 2014, but up 18.1 per cent from 1.931 million head placed in September 2015. The number of fed cattle marketed in October 2015 was 1.630 million head, down 3.3 per cent from 1.685 million head in October 2014, and down 0.7 per cent from 1.642 million head marketed in September 2015. The October cattle placements were slightly above the average trade estimates (96.1), while the cattle marketed in October were about 0.6 per cent above the average trade estimates (96.1). The cattle on feed for November 1, 2015 were estimated at 10.794 million head, 2.1 per cent above the November 2014 inventory numbers, and 5.6 per cent above the October 2015 numbers. The average trade estimates were estimating a 2.2 per cent annual increase (102.2) from November 2014 to November 2015 which was almost in line with USDA's (102.1) estimated number. The numbers in the report had only small variations to the trade estimates with the biggest difference of 0.6 per cent in more cattle marketed in October than the average trade estimates. The report overall should be viewed as relatively neutral with no big differences. Cattle in feedlots have been above year ago levels over the last eight consecutive months with annual increases above two per cent over the last four months.

Choice beef cutout prices (600-900 lb.) averaged US$206.41 per cwt over the week, down US$7.38 per cwt or 3.4 per cent from US$213.79 per cwt the previous week, and down 19.0 per cent from US$254.79 per cwt the same week a year ago.

Beef production for the week was estimated at 482.9 million lb., up 2.3 per cent from 471.9 million lb. the previous week, and up 2.7 per cent from 470.0 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 571,000 head, up 2.7 per cent from 556,000 head the previous week, but up only slightly from 570,000 head a year ago.

Friday Price Information

Product		This Week (Nov. 20, 2015)	Week of: (Nov. 13, 2015)	Week of: (Nov. 21, 2014)
Canadian Dollar (closing rate US$)		.7493	.7509	.8898
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		174.39	181.28	240.11
Seven-day Weighted Average FC Index Wt. (lb.)		733	736	736
Live Fed 5-area Steer Price (US$ per cwt)		124.83	127.04	171.15
Feed Grains				
Barley	Lethbridge ($/tonne)	216.00	219.00	203.00
	($ per bu.)	4.70	4.77	4.42
Corn	Iowa State Average (CDN$/tonne)*	176.53	171.96	151.31
	(US$ per bu.)	3.36	3.28	3.42
	Omaha, NE (CDN$/tonne)*	185.99	178.78	156.18
	(US$ per bu.)	3.54	3.41	3.53
Futures				
	Dec. Corn (US$ per bu.)	3.63¼	3.58¼	3.72¾
	March Corn (US$ per bu.)	3.69¾	3.65½	3.85¼
	December Live Cattle (US$ per cwt)	129.700	130.675	170.900
	February Live Cattle (US$ per cwt)	132.025	132.650	171.150
	Nov. Feeder Cattle (US$ per cwt)*expiry	174.390	175.075	240.110
	January Feeder Cattle (US$ per cwt)	163.650	164.550	236.350

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

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